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State of Utah
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas & Mining

MICHAEL R. STYLER
Executive Director

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Division Director

October 11, 2007

James Jensen, Vice President
Savage Services Corporation
6340 South 3000 East
Salt Lake City, Utah 84121

Subject: Midterm Review, Savage Services Corporation (SSC), Savage Coal Terminal, C/007/0022, Task ID #2759, Outgoing File

Dear Mr. Jensen:

The Division received a response to the Midterm review (sent August 3, 2007) from Dan Guy on September 13, 2007. The Division found the responses to the Midterm Review issues only partially complete.

The Midterm review items required a response on September 10, 2007, as discussed in the meeting on August 28, 2007 which pertained to the submittal of the Reclamation Cost Estimate, Land Use Information, Commitment to Sample According to State and Federal Standards and plans for the Plant Overflow Pond (Task ID #2706).

The Division appreciates the updated landuse map, the reclamation cost estimate and commitment to sample water resources according to state and federal water quality standards. The information is sufficient to update these issues in the Mining and Reclamation Plan (MRP) when all of the Midterm information is submitted. We understand that the landuse section will be reformatted and updates to the text will occur at that time.

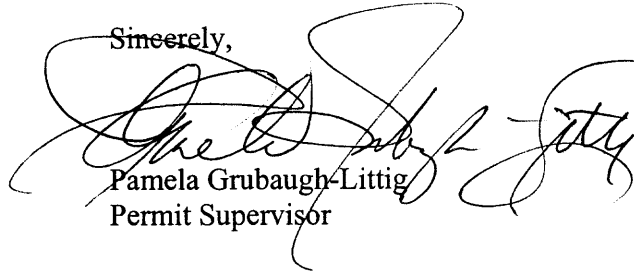
Mr. Guy addressed the need to resubmit the plans for the Plant Overflow Pond (Task ID #2706) and indicated he will correct the previous deficiencies and resubmit them in October 2007. Please submit these designs by October 31, 2007.

Savage Services Corporation has until December 31, 2007 to respond with updated information on the U.S. Fish and Wildlife Department-Colorado River Endangered Fish Recovery Program and the Cultural Resource-Archeological Inventory. SSC is encouraged to work with Joe Helfrich, Reclamation Biologist, to ensure these issues are addressed and updated in the MRP by the end of this year.

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Please call me at (801) 538-5286 or Dave Darby at (801) 538-5341 if you have any questions. If you have any questions about this review, please don't hesitate to call.

Sincerely,

A handwritten signature in black ink, appearing to read 'Pamela Grubaugh-Littig', is written over the typed name and title. The signature is stylized with large, flowing loops.

Pamela Grubaugh-Littig
Permit Supervisor

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Cc: Dan Guy, Blackhawk
Boyd Rhodes, Savage
Price Field Office
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